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SECRETCENTRAL INTELLIGENCE AGENCY  
**INFORMATION REPORT**

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COUNTRY Hungary

SUBJECT Work at Stalinváros

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THIS IS UNEVALUATED INFORMATION

1. The largest steel mill in Hungary is being built at Stalinváros. <sup>sic</sup> The work was begun as an industrial combine at Mohács, but abandoned there as a result of the worsening of relations with Yugoslavia, and transferred to its present location.
2. The construction of the mill and the supporting "socialized city" were begun by Building Industry Trusts No. 26/1, 33 and 31 in May 1950, with about 15,000 workers, and carried forward at a rapid pace in spite of great difficulties due to the loose and sandy soil.
3. The construction of the city, intended to house 20,000 persons, is going forward parallel with that of the factory itself. There is a small stretch of wood between town and factory.
4. On 28 Feb 54 the first run-off of the first large furnace was announced in the presence of government representatives and various guests. The construction of the furnace was carried through on the Soviet pattern. Numerous parts of it are of Soviet manufacture. Five engineers, four of the managerial group and six master-workmen were trained in the Soviet Union, and all the work is inspected by Soviet experts.
5. [REDACTED] describe this furnace as the most modern in Hungary. The work from the arrival of raw materials to run-off is fully mechanized. The furnace can use 160 carloads of raw materials daily. Daily production would make 140 tractors. When Stalinváros is working fully it will raise Hungary's raw iron capacity 30 percent.

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6. The mechanical department is in a building 120 by 25 by 20 m. It has six 20-ton cranes. Spare parts and precision machinery are produced. There are about 500 workers in three shifts.
7. The foundry is in a building 120 by 30 m, with three large smokestacks. The building is of concrete and brick construction. There are railroad tracks through the building and 14 ovens in addition to six Italian electric ovens. It also has six 20-ton cranes.
8. There is a hard-burned brick factory of 11 one-story brick buildings, each 35 by 20 m. Finished bricks are stored in a building near the foundry. This building is 80 by 40 m.
9. The factory's power station is 150 by 50 m and has been working for several months. It produced sufficient current for both factory and town.
10. The next planned operation is the completion of the coke works. The coke works is in a building 200 by 300 m, made of prefabricated parts. It holds the largest overhead crane in Hungary, supplied by the Dimdvag factory.
11. It is expected that the Martin department will also be in production soon. It differs from others of the same kind in being planned for complete air conditioning. There are four Martin ovens of 125 ton capacity in the main department. The ovens will not be loaded by crane but by movable loading machines.
12. Near this building stands the casting plant with a cooling section and the stripping shop with a drawing-crane of 175 tons capacity.
13. At one side of the stripping shop is a storehouse for steel billets with two automatic cranes, at the other the gas purification station and the building of the mixing ovens. Near this is the dam in the local stream, crossed by a railroad bridge on concrete piles.
14. Near this bridge is the shop for burning chalk and dolomites. Still under construction are the rolling mill, the tube factory, the copper rolling works, the copper plate rolling shop, the boiler shop, the steam hammer shop, and the machine shop.

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